

soft money from 501(c) tax-exempt organizations. That is an outrage and even Senator MCCAIN did not support that loophole.

Labor unions worry that corporate soft money is killing our political system, and business interests worry that unions and union soft money is killing our political system. In fact, the fact of the matter is that the flood of soft money from both sides, from both sides drowns out the only voices which are important. Those are the voices of the American people.

The only way to allow the voices of the American people to be heard is to totally ban all soft money. Let us support true campaign finance reform, reform that closes all the loopholes. Let us get rid of the Levin loophole. Let us get rid of the midnight loophole to solicit 501(c) organizations, and let us ban all soft money.

Mr. CHAIRMAN, I reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, I yield myself 3 minutes.

Anyone who believes in grassroots activities must vote no on this amendment. It has been subject, as it has been true of other provisions, of grotesque mischaracterization.

What this does is not open the flood gates. It is make sure there is no flood gate. Instead, there is a channel for grassroots activity indeed for the people to be heard. The Senate adopted this provision on a bipartisan basis to preserve for the States and for the local parties an important role in traditional grassroots activities: registration, get out the vote, voter identification. Everybody should understand these restrictions.

The non-Federal of the State portion must be raised in accordance with State law, and many States prohibit corporate or labor union money. There is a limit by any entity of \$10,000. There can be no mention, and I emphasize this, of a Federal candidate. There can be no expenditure of these moneys for broadcast television or for radio ads; and the State portion, the non-Federal portion, cannot be raised by a Federal office-holder or candidate. They cannot be transferred among committees. They cannot be raised in coordination with other political parties, and there has to be an allocation according to the FEC rules. There has to be a Federal hard-dollar match for these moneys.

There is no way this opens a flood gate. Instead, what this does is create an opportunity for the people to be heard, for grassroots activities to continue, for there to be voter identification, registration without a single reference to any Federal candidate. That is why Senator MCCAIN and Senator FEINGOLD supported this, and it was adopted by voice vote in the Senate.

This amendment is a poison pill, not only for this bill. It is a poison pill if adopted for grassroots activities. I have heard so much on that side of the aisle about the importance of grass-

roots activities of democratic, with a small D, participation. This amendment runs counter to that rhetoric.

I suggest that in a resounding way we vote no on this terribly misguided amendment.

Mr. CHAIRMAN, I reserve the balance of my time.

Mrs. EMERSON. Mr. Chairman, I yield 2½ minutes to the gentleman from North Carolina (Mr. HAYES).

Mr. HAYES. Mr. Chairman, I thank the gentlewoman from Missouri (Mrs. EMERSON) for yielding me the time.

Folks have been here a long time. The real moment of truth has arrived. Are my colleagues going to fish or are they going to cut bait? I strongly, enthusiastically, heartily support the gentlewoman's amendment.

This is campaign finance reform. It takes care of the problem on page 79 of the so-called latest and greatest Shays-Meehan bill, that page that allows soft money to borrow hard money and pay it back after the election. This fixes the problem now. In some precincts in Missouri I heard there was over 110 percent turnout. That is the kind of soft-money results that the other bill that is before us provides. Is that campaign finance reform? I do not think so.

Let us be serious. Here is the real thing. Here is our chance, our real chance to reform, to fix; and I submit to my colleagues that it is not money that is the problem. It is people who are the problem; but if we believe that it is money, fix it, take it out, take it now, let us do it. Let us reform campaign finance and support the gentlewoman from Missouri's (Mrs. EMERSON) amendment.

Mr. LEVIN. Mr. Chairman, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE), a very distinguished Member.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman from Michigan (Mr. LEVIN) very much for yielding me the time.

I would ask my colleagues, are we afraid of the committeemen and women, the precinct judges, the party Chairs, the people who are really on the ground exercising their democratic principles, their principles of belief in their parties, be it Republican or Democrat? This language has nothing to do with special interest dollars influencing the votes of Members of the House or Senate.

All it has to do is providing resources so that people who live in our communities, who work every day in political activities can, in fact, exercise the democratic process. These are resources to build party structures. These are resources to enable the grassroots, to get people involved, to do voter registration, to help young people become involved, not in terms of special interest dollars, but providing them the resources, maybe the stamps, maybe the literature, that helps encourage people to be part of this process. The Levin provision only allows what States already do themselves, there is no federal intervention.

I believe this is an asset. This is something that contributes to what we are trying to do, get more people involved, say yes you can be involved and your voice is very important.

This deals with a myriad of groups. It does not isolate groups. It does not distinguish or suggest that people cannot be involved. These are resources that will be given to allow us to organize in our communities. I cannot imagine any of us that go home to any of our respective communities would ever say to the committeemen who work long hard hours, to precinct judges that work with us, to the activists that work with us, that their work in encouraging people to vote is not important.

I would ask my colleagues to look at these resources as it is. These are not dollars that come to any one of us. These are not dollars that, in fact, have direct influence and direct us in any way in making decisions on policy. These are dollars that have to do with bringing in a whole group of individuals who will have the opportunity to exercise their view and viewpoints. This is not a good amendment, and I would ask my colleagues to defeat it.

Mrs. EMERSON. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. NEY), the tremendous chairman of the Committee on House Administration.

Mr. NEY. Mr. Chairman, I thank my colleague for yielding me the time.

This, of course, what my colleague is trying to correct, this is the Enron limousine part of Shays-Meehan, \$60 million-some with the Levin amendment. We call it the Enron limousine. They could have spread around \$60 million-some.

I think we have heard it all tonight. I do not know if it is because it is getting late or because we have just got to create more on the floor of the House. We have heard it all. Now eliminating soft money, which is what this amendment does, is a poison pill. We have really evolved.

Somebody said this bill has barely changed. It is not the same species. I cannot believe that we are talking about doing something good with the elimination of the soft money, it now becomes a poison pill; but back-room deals can be cut all the time to evolve this bill. We bring up good amendments and all of the sudden they are just not good enough.

In defense, somebody said tonight it can only be used for good purposes. It is still influence-peddling when someone is going to throw that money around. From our point of view, this is what my colleagues have said hundreds of times about this type of soft money. 501(c)(3) too is also in here, the 501(c)(3)s, and there is a building fund. This is so full of soft money, and my colleagues know it.

This is a good amendment, makes a good correction. I urge support of the amendment.

Mr. LEVIN. Mr. Chairman, how much time is there, please?